



**APPROVED MINUTES**  
**Idaho Soil Conservation Commission**  
**2270 Old Penitentiary Road**  
**Boise, Idaho**

The Idaho Soil Conservation Commission (ISCC) held a special telephone conference call on Tuesday, October 25, 2005. Attendance was as noted below:

Members: J. Morgan Evans, Chairman  
Gary Grindstaff, Vice-Chairman  
Jerry Reid, Secretary  
Tom Johnston, Member

Members not present: Bill Whittom, Member

Advisors: None Present

Advisors not present: Rich Sims, USDA-Natural Resources Conservation Service (NRCS)

Paul McCawley, University of Idaho (U of I)  
Kyle Hawley, Idaho Association of Soil Conservation

Districts (IASCD)

Others: Biff Burleigh, ISCC  
Jenn Ambrose, ISCC  
Christy Mastin, ISCC

**Welcome, Announcements**

Chairman Evans called the meeting to order at 10:32 a.m. Evans noted that Bill Whittom would be unable to participate in the day's teleconference because he had been re-admitted to the hospital and was not faring well. A brief roll call was performed and then Evans invited Mastin to present loan requests.

**RCRDP Loan Application Reviews**

*Brent Lierman*

Mastin presented an application from Brent Lierman for the implementation of a new irrigation project. The original loan request of \$40,000 had been amended per applicant request for a total loan amount of \$46,000 for seven years. There was some discussion regarding this applicant's difficulty in obtaining a signed Conservation Plan. Johnston did not feel it should be particularly challenging to secure a signed Conservation Plan and that it (a

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Commission Members

J. Morgan Evans  
Gary Grindstaff  
Tom Johnston  
Jerry Reid  
Bill Whittom

Administrator  
Jerry Nicolescu

signed plan) be noted as a condition to the loan agreement.

Grindstaff moved to approve the loan as presented with the condition that a signed conservation plan is in place prior to disbursal. Johnston seconded and the motion carried. Details of the application are as noted below:

<b>Signing Parties:</b> Brent Lierman		
<b>Loan Amount:</b> \$46,000	<b>Term:</b> Years 7	<b>Rate:</b> 4% APR
<b>Conditions:</b>	<ul style="list-style-type: none"><li>· ISCC to secure 1<sup>st</sup> lien on equipment to be purchased (UCC-1)</li><li>· Secured equipment to be insured for life of loan</li><li>· Signed Conservation Plan on file prior to disbursal</li></ul>	
<b>Disposition:</b>	Approved	

*Aaron and Vicki Hinkelman*

There was some discussion of why the applicant requested a total of \$46,229 in funding (RCRDP loan request of \$30,000 plus EQIP funding of \$16,229) when total project costs are only estimated at \$35,000. Johnston asked if Mastin knew what the applicant's intentions were regarding the additional funds. Mastin indicated that the applicant is expecting to purchase his drill outright using RCRDP funding and then apply EQIP proceeds to the balance of his RCRDP loan. It was suggested that the applicant's intent be further explored and perhaps obtained in writing. Reid noted that he owns the same drill that the applicant intends to purchase and while it is a good general-purpose hydro-drill, it is not a drill designed for direct seeding. Johnston voiced concern over the fact that the applicant has requested total funding exceeding \$46,000 for the purchase of a \$35,000 product. Grindstaff stated that he did not want to approve the loan request without confirmation that the drill in question will in fact provide conservation benefits. Mastin noted that she would like to work with Reid to establish a list of drills that are for conservation purposes so that she can better filter applications in the future. Reid confirmed that he would be happy to help and that the Commission needed to discuss the specific kinds of projects to be funded by RCRDP. Grindstaff moved to table the Hinkelman application until further information regarding the drill's value as a conservation implement. Johnston seconded the motion and suggested Mastin contact the Idaho SWCD (sponsoring District) for perspective on this project/drill. The motion to table the Hinkelman application passed without further discussion. Details of the application are as noted below:

<b>Signing Parties:</b> Aaron and Vicki Hinkelman					
<b>Loan Amount:</b>	\$30,000	<b>Term:</b>	Years 7	<b>Rate:</b>	4% APR
<b>Disposition:</b>	Tabled; further review to be conducted in November 16 <sup>th</sup> meeting				
<b>Information Requested:</b>	·Idaho SWCD's estimation of the drill's conservation benefit ·Evaluation of this project according to local (District) priorities				

*John and Patricia Hurley*

Grindstaff opened discussion on the Hurley application by informing everyone that he does know Patti Hurley - she is the NRCS technical staff person assigned to the Twin Falls area Conservation Districts. Reid asked why this applicant's balance sheet summary showed zero values for all figures. Mastin noted that she could provide that information by referencing their file and proceeded to discuss the various points of asset and liability for the Hurleys. Based on the new information, Reid moved to approve the application. Johnston seconded and requested that the application summary report be updated to include the balance sheet figures. The motion passed without further discussion. Details of the application are as noted below:

<b>Signing Parties:</b> John and Patricia Hurley			
<b>Loan Amount:</b>	\$40,000	<b>Term:</b> Years 7	<b>Rate:</b> 4% APR
<b>Conditions:</b>	<ul style="list-style-type: none"><li>· ISCC to secure 1<sup>st</sup> lien on equipment to be purchased (UCC-1)</li><li>· Secured equipment to be insured for life of loan</li></ul>		
<b>Disposition:</b>	Approved		

*Gary and Lori Rainsdon*

Mastin presented the Rainsdon application for \$90,000. Reid moved to approve the loan as recommended by the Loan Officer. Grindstaff seconded the motion and it passed without discussion. Details of the application are as noted below:

<b>Signing Parties:</b> Gary and Lori Rainsdon					
<b>Loan Amount:</b>	\$90,000	<b>Term:</b>	Years 7	<b>Rate:</b>	4% APR
<b>Conditions:</b>	<ul style="list-style-type: none"><li>· ISCC to secure 1<sup>st</sup> lien on equipment to be purchased (UCC-1)</li><li>· Secured equipment to be insured for life of loan</li></ul>				
<b>Disposition:</b>	Approved				

**RCRDP Servicing Actions**

*Ernest Bryant*

Mastin reported that Mr. Fred Brossy assumed operations of the Bryant property in 2005. Brossy has completed the purchase of the real estate and would like to take over center pivot payment too. Johnston moved to approve the assumption and Grindstaff seconded. Reid asked if a fee (to process the assumption) would be assessed.

Johnston noted that some banks assess fees based on a percentage to the total debt but nearly all will collect any current interest at the time an assumption is processed. Grindstaff agreed that the Commission should not absorb any cost, whether related to personnel time required or currently accrued interest. Chairman Evans asked whether the Members felt it was appropriate to assess a fee. Johnston amended his motion to approve the loan contingent upon Brossy's payment of a \$250 fee as well as any associated recording fees. It is noted that the assumption fee would offset costs of file preparation as established in current RCRDP policy. Grindstaff seconded the amended motion and it passed without further comments.

*Bill Fleming*

Mastin presented a request from Mr. Fleming for a six-month extension of his commitment. Grindstaff moved to approve and Reid seconded. Mastin noted that the Fleming project requires extension because the project must be somewhat redesigned once irrigation water is shut off for the season. The extension was approved without further discussion.

*Heath Gartner*

Mastin reported Gartner's original loan approval was in September 2004. This request for extension is his second, likely due to engineering issues, although she noted that she still has not received a letter from NRCS regarding completion. Mastin also reported that five percent (5%) of the originally approved loan proceeds have been and will continue to be withheld as a contingency. Johnston moved to approve the extension with the stipulation that Mastin's letter to the Gartners be courtesy copied to whoever is providing technical assistance on this project. Grindstaff seconded the motion and it carried.

*Randy Bertagnole*

The Bertagnoles have requested an extension of their commitment due to necessary engineering changes related to pump size. Funds have been disbursed on pump at this time. Grindstaff moved to approve and Johnston seconded. Evans interjected that he had heard locally that this borrower may have recently filed for bankruptcy and noted that he felt that this loan "bears watching". Motion carried without further comment.

*Andrus Suffolks LLC*

Mastin presented an extension request for Andrus Suffolks LLC. She indicated that she has not been able to contact the applicant or their NRCS (technical assistance) staff person recently. Grindstaff moved to approve the extension and Johnston seconded. Evans pointed out that the original designer of this project really missed the mark with respect to estimated costs; the project has far exceeded original figures. The motion to approve passed without further discussion.

*Sylvia Legaard*

Mastin reported that Steven Legaard recently passed away and she has been trying to obtain answer from the widow regarding failed payment arrangements. Previous agreements were made, one for \$25 per month and another for \$50 per month but neither have been upheld by the borrower. Grindstaff asked if Mrs. Legaard signed the

original loan agreement; Mastin indicated that she had. Mastin noted that she has been trying to contact Mrs. Legaard in order to work out a new arrangement that fits her budget. This loan does not mature until 2008. Reid requested further information be provided for continued discussion November 16<sup>th</sup>. Mastin mentioned that she would like Members to consider possible options such as waiving late fees and re-amortization of interest or perhaps waiving all accrued interest and late fees so that the widow may start fresh with a principle balance only.

Chairman Evans reiterated Reid's request to have this file prepared for discussion in November.

### **Conservation Improvement Grants**

#### *Randy Bertagnole*

Biff Burleigh presented a \$10,000 grant request from the Portneuf SWCD for Randy Bertagnole. Grant funding is requested for the purposes of supplementing his pivot project. Grindstaff moved to approve the request and Johnston seconded. Motion carried. There was some discussion as to whether or not this project was near a 303(d) segment of Marsh Creek. Burleigh reported that according to established policy, the project's proximity to Marsh Creek (a segment with a completed TMDL in place) gives it a Tier II priority level.

#### *Mel Briggs*

The Jefferson SWCD submitted a grant request for Mel Briggs in the amount of \$6,025. The project involves the combination and leveling of fields to continue surface irrigation and improve irrigation efficiency. The applicant is slated to receive \$1,760 additional dollars from EQIP. Grindstaff asked what soil savings is estimated to be after the project is implemented. Burleigh reported that their estimated soil savings is 360 tons per year and that irrigation efficiency will essentially double. Johnston pointed out that the application cites installation of a "more functional ditch" and requested clarification regarding what constitutes a "more functional ditch". Burleigh replied that the ditch to be installed would still be a dirt ditch but it would serve as a replacement for multiple older dirt ditches that currently deliver water running in different directions across his acreage. Grindstaff moved to approve this grant request as submitted and Johnston seconded. The motion carried.

#### *Dennis Hoadley*

A grant request from the Canyon SCD was presented for Dennis Hoadley in the amount of \$10,000. Burleigh reported that this project is situated in the Snake River Watershed, approximately 1/4 mile from the Snake River. Reid asked if there would be additional matching funds from the canal company if this was multi-year project. Burleigh indicated that the Commission's portion (installation of pipeline and irrigation control) would be completed in one year or less but that the overall project would indeed take multiple years to fully implement.

Johnston noted that he would like to see a commitment letter from the participating canal company and feels it should be a condition of approval. Burleigh reported that

this is a good system that doesn't spend more energy and saves a lot of water. Johnston moved to approve the grant request and Reid seconded. Motion carried.

Burleigh went on to report that he would have additional grants prepared for review at the November 16<sup>th</sup> meeting and would also have three Water Quality Program for Agriculture applications to present.

### **Technical Assistance**

Lengthy discussion was heard on the growing problem technical assistance has become. Mastin noted that producers in Malad have not even been able to obtain Conservation Plans. Johnston seconded the sentiment, noting that he has seen/heard of similar problems in his area of the state. Burleigh said that while it is important that we adhere to NRCS standards and specifications, he wondered if there wasn't a way we could alleviate some of the pressure on NRCS staff by finding a way for our own staff to certify technical work to do be done on grant and loan projects. Grindstaff commented that this issue was not new – NRCS staff had generally had cumbersome workloads for as long as he had been involved in conservation work, some 30 years – and the problems we see are not to be attributed to a lack of cooperation, but rather a lack of available staff/hours. Johnston concluded that while we may be able to see why the problem is occurring, today's producers are not all that tolerant and if things don't change, they (customers) may find begin to seek out alternative funding sources.

### **Miscellaneous Business**

On a somewhat related note, Ambrose noted that there are plans to address Partnership issues in the upcoming personnel meeting November 28 – December 2, 2005 and she extended an invitation to all Members, encouraging them to come interact with field staff and attend as much of the meeting as they are able.

There being no further business, the meeting was adjourned at 11:28 a.m.

Respectfully submitted by Jenn Ambrose, Administrative Assistant.